

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Arbitration - Suits - Settlement of Arbitration Award in respect of the work relating to "Earth Work Excavation of Vempadu Major (Head Reach) from KM 8.100 to KM 8.200, KM 8.300 to KM 8.400 and from KM 8.400 to KM 8.500 under Agt. Nos. 58/SE/NZD/78-79, 59/SE/NZD/78-79 & 60/SE/NZD/78-79, dated 11-11-78 with Sri K.Kutumba Rao, G.P.A. Holder of Late Sri K.V.Venkata Rao, Contractor who was awarded with the above works - Sanction of an amount of Rs.19,95,480/- as full and final settlement - Orders - Issued.

I & CAD (ARBITRATION) DEPARTMENT.

G.O.(Ms.) No. 215

Dated the 16th July, 2009.

Read the following:-

1. From Sri K. Kutumba Rao, GPA Holder of late Sri K.V.Venkata Rao & Others, Visakhapatnam, repns., dt.15-11-2007.
2. From the C.E., NSP., Hyderabad, Lr.No.CE/NSP/CO/HYD/ARB/OT3/ATO/KVVR/1619, dated 13-12-2007.
3. Govt.Memo.No.33012/ARB/07, I & CAD Dept., dt.01-02-2008.
4. From the ENC (Irrgn.), I & CAD Dept., Hyd., Lr.No.ENC(I)/DCE (GDS) OT2/ AEE/NSLC/Vempadu 8.100 to Km.8.200, dated 30-06-2008.
5. From the ENC (Irrgn.), I & CAD Dept., Hyd., Lr.No.ENC(I)/DCE (GDS) OT2/ AEE/NSLC/Vempadu 8.300 to Km.8.400, dated 30-06-2008.
6. From the ENC (Irrgn.), I & CAD Dept., Hyd., Lr.No.ENC(I)/DCE (GDS) OT2/ AEE/NSLC/Vempadu 8.400 to Km.8.500, dated 30-06-2008.

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ORDER:

Sri K.Kutumba Rao, GPA holder of Late K.V.Venkata Rao, Contractor, in his representations first read above, has stated that the work excavation of Vempadu Major (Head Reach) of Nagarjunasagar Left Canal from KM.8.100 to K.M.8.200, KM.8.300 to KM.8.400, and KM.8.400 to KM.8.500 awarded to Sri K.V.Venkata Rao, Contractor vide Agt.Nos.58/SE/NZD/1978-79; 59/SE/NZD/1978-79; and 60/SE/NZD/ 1978-79 dated 11-11-1978 by the Superintending Engineer, N.S.L.C. Circle, Nuzvid, Krishna District. During the execution of the work, certain disputes have arisen between the contractor and the Dept. While the petition for appointment of Arbitrator was pending, the original contractor died and his legal representatives were brought on record. They have given a G.P.A. to him. These disputes were referred to the Sole Arbitrator Sri Justice K.Punnaiah, Retd.Judge, High Court of Andhra Pradesh. The Sole Arbitrator made the award on 10-06-1998. The Govt. filed O.P.No.534/1988; 535/1988; and 536/1988 respectively u/s.30 & 33 of the Arbitration Act, 1940 to set aside the awards, whereas, they have filed O.P. Nos.298/1988; 299/1988; and 300/1988 respectively to make the award rule of court before the Hon'ble II Sr.Civil Judge, City Civil Court, Hyderabad. By a common order dated 29-12-2000, the Hon'ble Court, made the award rule of court and passed a decree and partly allowed in O.P.No.298/88; 299/88; and 300/88 and partly allowed in O.P.No.534/88; 535/88; and 536/88. Aggrieved by the said judgement and decree, the Govt. filed CRP.No.910/02; 909/02; and 907/02 (against O.P.Nos.298/88; 299/88; and 300/88) and CMA Nos.2589/01; 1939/01; and 249/02 (against O.P.No.534/88; 535/88; and 536/88). Similarly they also filed CRP.No.3563/01 and CMA No.2315/01; CRP.No.3559/01 and CMA No.1939/01; & CRP. No.5087/01 and CMA. No.2212/01 respectively to the extent of setting aside the award. While disposing off the cases, the Hon'ble High Court of Andhra Pradesh in its common order dated 31-07-2007 has directed both the parties to mutually settle the dispute. Hence, he requested to convene a meeting for settlement of their award amount.

P.T.O.

2. Based on the representation and as per the orders issued in G.O.Rt.No.103, I & CAD (ARB) Dept., dated 24-01-2008, after obtaining the report from the Chief Engineer, Nagarjuna Sagar Project, Camp Office, Hyderabad, the case has been referred to the Conciliation Committee Constituted for Andhra Region vide Govt. Memo. dated 01-02-2008 for negotiation with the contractor for an amicable settlement.

3. The Engineer-in-Chief (Irrgn.,), Hyderabad in his letters fourth to sixth read above, has furnished reports of the Conciliation Committee for Andhra Region dated 02-06-2008. He has also obtained and furnished three declarations from Sri K.Kutumba Rao, GPA holder of Late K.V.Venkata Rao, Contractor. In its reports dated 02-06-2008, after negotiation with the contractor, the Conciliation Committee has recommended for the payment to the Agency i) Rs.8,71,241/- for Agt.No.58; ii) Rs.5,26,921/- for Agt.No.59; and iii) Rs.5,97,318/- for Agt.No.60. A total sum of Rs.19,95,480/- (for three works) were recommended by the conciliation Committee.

4. In compliance to the common directions dated 31-07-2007 of the Hon'ble High Court of A.P., the Prl.Secy. to Govt., I & CAD (ARB) Dept. has conducted final negotiation with the G.P.A. Holder of the Contractor on 19-05-2008 and 02-06-2008 and confirmed the above said amount (i.e., a total sum of Rs.19,95,480/- for three works) as full and final settlement of the three Arbitration awards in respect of the three subject works. The GPA holder of the Contractor has furnished three affidavits (notary), wherein he has agreed for the above consideration and declared that he withdraw all his legal proceedings in respect of the three subjective works against the Govt. of A.P. or its representative Officer pending in the High Court of Andhra Pradesh or other courts in Andhra Pradesh, if the above amount including the interest amount i.e., a total of Rs. 19,95,480/- is paid to him towards full and final settlement of the arbitration claims pending in Courts in respect of the three subject works.

5. After careful examination of the matter, Government hereby sanction an amount of Rs.19,95,480/- (Rupees nineteen lakhs ninety five thousand four hundred and eighty only) as full and final settlement of the Arbitration Awards dated 10-06-1988 in respect of the works "Earth Work Excavation of Vempadu (Head Reach) from KM 8.100 to KM 8.200; KM 8.300 to KM 8.400; and from KM 8.400 to KM 8.500 under Agt. Nos. 58/SE/NZD/78-79, 59/SE/NZD/78-79 & 60/SE/NZD/78-79, dt.11-11-78 awarded to Late Sri K.V.Venkata Rao, Contractor.

6. The amount sanctioned in para (5) above, shall be debited to the following Head of Ac count: "MH 2701 – M & MI 01 – MIC – MH 101 – NSP – GH 11 – NS Plan – SH 27 C&D – 530 Major works – 531 Other expenditure".

7. The Chief Engineer, Nagarjuna Sagar Project, Camp Office, Hyderabad is directed to arrange to pay the amount sanctioned at para para (5) above to Sri K. Kutumba Rao, GPA holder of Late K.V.Venkata Rao, Contractor, duly deducting the amounts that are recoverable on whatsoever account.

8. This order issues with the concurrence of Finance (W&P) Dept. vide their U.O.No.2553/F2(1)/09-1, dated 10-07-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P. TUCKER,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Chief Engineer, Nagarjunasagar Project, I & CAD Department, Camp Office:
Jalasoudha, Errummanzil, Hyderabad.
The Pay & Accounts Officer, Hyderabad.

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The Director of Works Accounts, A.P., Hyderabad.
The Joint Director, Works Accounts, Vijayawada.
The Deputy Pay and Accounts Officer, Vijayawada.
Sri K. Kutumba Rao, GPA holder of Late K.V.Venkata Rao, Contractor,
D.No.6-1-4-E-1, Chinna Waltair, Visakhapatnam – 17.
Copy to:
The Superintending Engineer, N.S.Left Canals Circle,
Nuzvid – 521 201.
The I & CAD (P&B) Department.
The Finance (W&P) Department. (with a request
to release LOC for the sanctioned amount).
The Accountant-General, Andhra Pradesh, Hyderabad.
The Learned Advocate-General, High Court of
Andhra Pradesh, High Court Buildings, Hyderabad.
S.F. S.Cs.

// FORWARDED :: BY ORDER //

SECTION OFFICER.